

Pension Laws Commission

Operating Procedures

- I. The Illinois Pension Laws Commission is a legislative support commission governed by the Joint Committee on Legislative Support Services. As such, the Commission operates under the "Operating Rules for Legislative Support Service Agencies", which govern the internal operations of the Commission, but do not direct the procedures used at Commission meetings. These Operating Procedures govern aspects of commission action that are specific to the Pension Laws Commission and stand in addition to the Operating Rules for Legislative Support Service Agencies.
- II. As a legislative commission, the meetings of the Pension Laws Commission are governed by the Open Meetings Act, unless both Houses of the Legislature pass a resolution by a two-thirds vote of their members authorizing a closed meeting. Such closed meetings must be for a specific purpose as stated in the resolution, such as personnel matters.
- III. Preparation of Pension Impact Notes
 - A. Pension bills and/or amendments introduced in the House or Senate may be assigned to an analyst of the Commission for preparation of a Pension Impact Note (25 ILCS 55/1 et seq.) Such note will detail all of the provisions of the bill and will provide an estimate of the fiscal impact of the bill.
 1. The estimate of the bill's fiscal impact may be prepared using data provided by the Fund, System or other knowledgeable party. The Commission's actuary may review fiscal data submitted by outside parties. If the staff estimates the fiscal impact is major, the actuary for the Commission will perform an actuarial analysis of the bill.
 2. When a bill is not estimated to have a fiscal impact, the Pension Impact Note will discuss other impacts the bill may have. These may include the composition of the Board, election procedures, inconsistencies with other Articles, or other non-fiscal issues.
 3. The Pension Impact Note will indicate whether changes proposed to one of the State-funded Systems or the Chicago Teacher's Pension Fund may have application to the other State-funded Systems or the Chicago Teacher's Pension Fund.
- IV. Scheduling bills for consideration at a Commission Meeting
 - A. Bills introduced in the first year of a biennial session may be considered by the Commission in the first or second year of the

General Assembly. It is the intention of the Commission to indicate their recommendations on all legislation introduced in the first year of the session by the end of the regular session of the second year.

- B. Once a pension bill has been introduced, members of the House or Senate wishing to have their bill(s) considered by the Pension Laws Commission must contact the Executive Director of the Commission and request that the bill be scheduled for a hearing. The request must be made at least 10 days prior to a scheduled meeting of the Commission. A request to consider an amendment must be made as soon as possible after the amendment has been introduced.
- C. This requirement may be waived within the last two weeks of regular scheduled session. During Veto Session, a request must be made at least six days prior to a meeting of the Commission.
- D. The Commission, at the request of a member of the Commission, may hear committee amendments, draft proposals, concepts, and other subject matter. The request by the member of the Commission must allow the staff sufficient time to prepare an impact note.
- E. The Commission may prepare and sponsor legislation that is believed to be essential for the smooth operation of public pension funds and retirement systems in Illinois. Such a bill would require the approval of 3/4th of the Commission membership prior to its submission to the General Assembly.
- F. An Agenda will be prepared and all bills to be heard will be posted seven days prior to the scheduled meeting of the Commission. This requirement may be waived by a three-fourths vote of those appointed to the Commission (12) for amendments to be heard at Commission meetings.
- G. Pension funds, retirement systems, or other interested parties may provide data to the Commission regarding the posted bill up to seven days prior to the meeting. If necessary information regarding the cost of the proposal has not been made available to the staff in a timely fashion, the bill may not be heard as scheduled.
- H. The Commission's agenda with the Pension Impact Notes for bills appearing on the agenda will be distributed to the members of the Commission at least four days prior to a Commission Meeting. Copies of the Agenda and Pension Impact notes will be delivered to the legislative staff of the standing Pension Committees of the House and Senate at the same time.

V. Commission Meetings

- A. A schedule of meetings will be announced for each year of a General Assembly.
- B. Other meetings may be scheduled as necessary by the Co-chairs.
- C. Agenda items for meetings will be grouped as follows:

- 1. Previously Approved Legislation – A listing of legislation that was approved by the Pension Laws Commission during the previous General Assembly will be compiled and distributed at the first meeting of a new General Assembly. This legislation will be considered for approval at the next meeting of the Commission. Any member of the Commission objecting to any item may request that the item be removed prior to the vote. The remaining bills would be considered on a single roll call.

A second listing of legislation will be prepared and distributed showing those bills that were approved by the Pension Laws Commission during the previous General Assembly but with dissenting votes. This listing will show the record vote for each bill. Similarly, this legislation will be considered for approval at the next meeting of the Commission. Any member of the Commission objecting to any item may request that the item be removed prior to the vote. The remaining bills would be considered on a single roll call

- 2. New Legislative Requests for Consideration – Contains requests from members of the General Assembly and the Commission for consideration of new bills, drafts and concepts. These items are generally subject to thorough discussion and voted on independently. These bills will be further identified, as follows:

- Technical bills
- Downstate Pension Funds
- Chicago Pension Funds
- Cook County Pension Funds
- State-funded Retirement Systems

- 3. Items Deferred from a Previous Meeting – This Section contains requests to hear bills that were placed on the agenda previously and were held, either at the request of the sponsor or the Commission, awaiting further information or agreement.
- D. The Agenda shall include a summary of the estimated costs for proposals that have received the Commission's approval to date during the current General Assembly, as well as the estimated costs of the measures under consideration at that meeting.

- E. The Agenda may include an indication that a bill or proposal may affect more than the Pension Fund or Retirement System for which it was intended. In that case, the Commission will decide whether the measure should be referred to the Unification Sub-Committee for a determination of whether the concept should be expanded to include other Funds and Systems.

VI. Report of Commission Action to the House and Senate

- A. Following consideration by the Commission, an updated Pension Impact Note will be prepared, which indicates on its face the action recommended by the Commission. These notes will be made available through LIS and the Commission's web site (http://www.legis.state.il.us/commission/penlaw/penlaw_home.html)

- B. This Pension Impact Note will be distributed, as required by the Pension Impact Note Act (25 ILCS 55/1), to the following:

President of the Senate	Speaker of the House
Minority Leader of the Senate	Minority Leader of the House
Secretary of the Senate	Clerk of the House
Chairperson of the Senate	Chairperson of the House
Insurance and Pensions Committee	Personnel and Pensions Committee
Senate Sponsor	House Sponsor
Member requesting the Pension Impact Note, if other than the Sponsor	

- C. In addition, the Pension Impact Note will be distributed to:

Minority Spokesperson of the Senate	Minority Spokesperson of the House
Insurance and Pensions Committee	Personnel and Pensions Committee
Senate Republican Staff	House Democratic Staff
Senate Democratic Staff	House Republican Staff
Department of Commerce and Community Affairs, State Mandates Section	

VII. The Agreed Bill Process

- A. The Commission strongly urges the interested parties to negotiate the provisions contained in all bills so that an "agreed bill" may be presented to the Commission. The merits of an agreed bill will be discussed by the Commission and a vote may be taken. Agreement should include the Pension Fund or Retirement System, the Employer, the Sponsor and the agent for the Employees, when applicable.
- B. If there is not agreement when the proposal is presented to the Commission, the Commission may recommend that negotiations recommence until agreement is reached. A three-fourths vote of those

appointed to the Commission (12) may determine there are compelling reasons that an agreement may not be attainable and move that the measure be considered without agreement.

- C. The absence of opposition by a party, or a statement of "No Opinion", is considered an agreement on the proposal.
- D. A motion to refer a bill to the Unification Subcommittee is also subject to the agreed bill process. If there is opposition to sending the bill to the Subcommittee for consideration of expansion to include other funds or systems, the motion must be approved by three-fourths of those appointed to the Commission (12 members).

VIII. Votes of the Commission

- A. Record votes will be taken on motions made by members of the Commission.
 - B. Substitute motions to clarify the motion made may be considered.
 - C. Substitute motions that are the opposite of the motion made will be ruled out of order.
 - D. The affirmative vote of a majority of those appointed to the Commission (9) is required for approval of a motion.
 - E. Members recorded as "Present" or "Not voting" will not be considered voting in the affirmative.
 - F. A tie vote will not be considered an approval of the motion.
- IX. Parties interested in the legislation being considered by the Commission may be asked to testify before the Commission to clarify or provide additional information on the legislation. Statements in support or opposition to the legislation will not be solicited.
- X Policies and procedures stated above may be superceded by the affirmative vote of three-fourths of those appointed to the Commission (12).
- XI. Adoption of these procedures nullifies any previous procedures established or adopted by the Commission.